

GSA ORDER

SUBJECT: Public Buildings Service capital project development

1. Purpose. This order provides procedures within the Public Buildings Service (PBS) for planning and developing line item new construction and Repair and Alteration (R&A) projects. New project development procedures are intended to improve both scope definition and budget integrity.
2. Cancellation. Instructional letter PBS-IL-87-14, dated January 5, 1988, from the Commissioner, Public Buildings Service, to Regional Administrators and Assistant Regional Administrators for Public Buildings Service.
3. Background. Prospectus scope definition and cost assessments are integral to the PBS planning and budget formulation process. Improvements are needed to avoid costly delays and problems associated with inadequate prospectus authorization. New project development procedures address the following concerns:
  - a. A project's development must be consistent with short and long term needs, reflecting both PBS real estate goals and tenant housing plans.
  - b. Prospectus scope and budget development must be based upon coordinated professional assessments of design programming direction and implementation strategy.
  - c. With inadequate scope and budget, projects must either be delayed for revised prospectus authority or be compromised by prospectus restrictions.
  - d. Government and contract architect/engineer (A/E) disagreements on scope and budget can cause lengthy delays in negotiation and design development.
4. Definitions. As used in this order:
  - a. Building engineering report (BER). A conditions report resulting from a thorough inspection of overall structure and operating systems as matched to tenant and PBS operating requirements. Specific problem identification results in preliminary assessments of scope and budget needs (work items) necessary to correct deficiencies.
  - b. Community planning/plan. An analysis of long-range space requirements for Federal agencies within a defined geographic area. The report presents alternative housing strategies with economic analyses and recommendations for action. The plan proposes PBS actions within the community and supports early identification of project need.
  - c. Definitives. A pre-design report containing detailed space/functional requirements, construction specifications, complete with diagrammatic representations of involved building features and systems. The report assists in defining a project for executive reviews and congressional hearings and offers a procurement source document for turnkey developer services.

- d. Design programing/program. An assessment/report establishing design direction and information reflecting project scope and budget.
- e. Project development. The event sequence establishing project need, scope, budget and implementation strategy.
- f. Proposed projects. Those line item (prospectus level) construction project; developed for congressional approval.
- g. Prospectus development study (PDS). An evaluation/report establishing design programing requirements and implementation strategy.
- h. Turnkey. A project delivery approach having one source responsible for design and construction. This term applies to all design-build procurements, including "lease purchase."
- i. Validation. The review and acceptance of PDS scope and budget, occurring as an integral part of the design A/E selection and negotiation process.

## 5. Procedures.

### a. Project development involves the following actions:

- (1) Community planning. Community planning is accomplished on a periodic basis to establish long range space assignment, retention, procurement and renovation needs. It may therefore serve to initiate and/or guide project development actions. Community planning is to be conducted in accordance with the handbook, Project Planning and Development (PBS P 7000.12), as performed through regional Planning Staffs and coordinated by the Office of Facility Planning.
- (2) Building inspections. Regional Repair and Alteration staffs are to conduct on a cyclic basis in accordance with the handbook, Repair and Alteration Program Management (PBS P 6800.1B). BER's establish both minor and major repair and alteration work items, consistent with community plans.
- (3) Prospectus development. Each proposed project has its prospectus supported by a PDS. The PDS defines project scope and budget through design programing, addressing involved building systems, tenant services and design issues as developed within the handbook, Design Programing for Federal Buildings (PBS P 3430.2). The PDS further contains an implementation strategy, representing the planning interests of scheduling, funding, procurement approach, construction phasing, tenant relocations, telecommunication service, participating organizations and other factors significantly affecting the delivery process. The PDS also serves to review and verify findings of previous planning efforts, such as Community Plans and BERs. Where proposed R&A projects are not supported by a BER, a combined BER-PDS should be conducted. Regional Design and Construction Divisions (D&C) are responsible for PDS activities.
- (4) Definitives. Project definitives are prepared for all turnkey projects with identified sites, serving to support both congressional hearings and developer contract needs. D&C is responsible for project definitives, and shall initiate these services with the designation of a turnkey project.
- (5) Validation. Validation during design A/E selection requires interviewed firms to address project scope


and budget feasibility. As such, validation assessment must be identified within A/E selection criteria. Project feasibility concerns, expressed during interviews, are to be reflected within the Government's selection panel report. Validation within design A/E negotiation requires the selected firm to submit a statement of project scope and budget feasibility with the design fee proposal. Agreed to changes in project scope or budget must be reflected within the project's construction prospectus. Validation does not apply to turnkey projects.


(6) Contract support. Should in-house resources be unavailable, BER'S, PDS' and Definitives are to be provided using professional services contracts. Multi-year indefinite quantity contracts (IQCs) are recommended for support continuity, procurement efficiency, leveraged product quality and responsiveness.

(7) Budget assessments. Proposed projects shall have cost estimates developed following the Level III UNIFORMAT standards as presented in the handbook, Project Estimating Requirements (PBS P 3440.5). Estimated total project costs and estimated tenant relocation costs are established within the PDS.

(8) Project development funding. Project development services shall be funded out of the PBS Budget Activity 90 account. As D&C manages this account, regional Planning Staffs and Real Property Management and Safety Divisions must identify to D&C those projects requiring project development services, enabling proper budgeting of required funds and resources.

b. As indicated on the attached time-line charts, project development procedures can be separated into phases of inspection, planning, authorization, design and construction. The following can be recognized as new procedures:

(1) Traditional. Project development under normal procedures requires a two-stage authorization and budget cycle for both new construction and R&A. The initial stage provides design authorization as part of the annual design prospectus, followed by construction funding in the next annual cycle. Each proposed project recommended for inclusion in the annual design prospectus must be supported by a PDS. The A/E selection process is initiated immediately after projects are approved by the GSA Administrator: enabling validation prior to submitting the construction prospectus. A/E contract award is conditional upon design prospectus approval by Congress and availability of funds. A time line chart for new construction and R&A project development is shown in fig. 5-1. 

(2) Turnkey. Turnkey projects are developed using a single authorization and budget cycle process. Project scope and budget are supported by a PDS, followed by Definitives which are initiated after project approval by the GSA Administrator. Developer solicitation documents may be initiated upon prospectus submission to Congress, facilitating developer selection immediately upon Congressional approval. A time line chart for turnkey project development is shown in fig. 5-2. 

6. Action. Each Region shall establish and maintain one or more indefinite quantity contracts to support project development service needs. Procedures contained herein shall effect the fiscal year 1992 construction program and all subsequent years.

DUNCAN LENT HOWARD  
Commissioner

Public Buildings Service

 Validation

**Status: Final**